Valero Outage Prompts Benicia to Consider Industrial Safety Ordinance



The power outage on May 5, 2017, at the Valero Refinery in Benicia lasted 18 minutes and led to flaring at the refinery. Flaring is a process that allows the refinery to relieve pressure – but it can send out smoke and toxic gas. (*Craig Miller/KQED*)

By **Ted Goldberg** MAY 23, 2017

City officials would have greater oversight over the Valero refinery under a proposal set to be unveiled at the Benicia City Council meeting on Tuesday—a potential reform prompted by the major outage at the facility earlier this month.

Mayor Elizabeth Patterson is proposing the city develop regulations similar to those in Contra Costa County, home to several refineries. That county's industrial safety ordinance, considered to be one of the strongest in the country, requires oil refining facilities to undergo safety audits and have risk management plans.

For instance, after a major refinery problem, like the one at Valero on May 5, the county can order the company to provide a preliminary report 72 hours later.

That's the case in Contra Costa County, but the Valero facility is in Solano County and therefore not subject to the same rules.

"When everything started going out of the smokestacks, it was very alarming and there was no information about what was going out," said Patterson.

The outage only lasted 18 minutes, but to relieve pressure the refinery sent gases to its flares. Flaring is a process refineries use to relieve pressure when their facilities undergo malfunctions. The flares sent up flames and a plume of smoke into the sky.

The initial flaring sent at least a dozen people to the hospital, and prompted an evacuation of a nearby industrial area and shelter-in-place orders for two elementary schools.

It has taken the refinery at least two weeks to get fully back on-line, causing intermittent flaring in the mean time.

Under Patterson's proposal the oil company would pay for the enforcement of the safety ordinance.

"Valero would pay the fair costs of what it takes to protect the citizens of Benicia," said Patterson, adding that fees Valero pays to Benicia in property and sales taxes would help fund the work.

Valero has not responded yet to request for comment.

Patterson is also floating the idea of having Benicia contract with Contra Costa County to help administer a future safety ordinance. That would be similar to the way Richmond enforces a similar ordinance governing the Chevron refinery.

At least one Contra Costa lawmaker is on board with the idea.

"The refinery should be held to higher safety standards, the same standards that the four refineries in Contra Costa are held to," said Supervisor John Gioia.

The number of serious refinery accidents in Contra Costa have dropped since the industrial safety ordinance was adopted in 1999, according to Gioia.

"It gets refineries to change the way they look at risk, minimize and reduce risk," Gioia said. "It's an effective ordinance."

Contra Costa's law was adopted after a fire at the Tosco refinery in Martinez killed four refinery workers.

The Valero outage is under investigation by California's Division of Occupational Safety and Health (Cal/OSHA), the Bay Area Air Quality Management District and Solano County hazardous materials specialists.

Shortly after the outage, the air district issued six notices of violation against Valero in connection with the incident.

The oil company has blamed PG&E for the outage.

"The May 5 PG&E incident was solely the result of electrical work PG&E was doing on its power lines," the company wrote to Benicia City officials in a letter read out loud at last week's city council meeting.

The San Francisco-based utility has said the outage was triggered by an "inadvertent operation" to protect power circuits, but has avoided accepting outright blame for the incident.

PG&E hired a third party engineering firm, Exponent, to review the cause of the outage, according to company spokeswoman Deanna Contreras.